

U.S. Department of Justice
United States Attorney
Western District of New York

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PRESS RELEASE

DATE: June 30, 2004

RE: UNITED STATES v. BHAVESH KAMDAR

United States Attorney Michael A. Battle announced today return of an Indictment charging Bhavesh Kamdar, formerly of 8215 Golden Oak Circle, Williamsville, NY, and former president of Industrial Site Services, Inc. ("ISS"), with 30 Counts of mail fraud and money laundering for over-billing New York State through a contract awarded to ISS for the removal and replacement of underground storage tanks at state facilities.

The defendant was awarded a \$4.9 million underground storage tank remedial contract by the New York State Office of General Services ("NYS-OGS") which included a \$500,000 performance bond premium/collateral price which he falsely declared to have paid but which he did not make. During the performance of the contract, the defendant recovered from New York State over \$500,000 in installment refunds of the performance bond costs to which he was not entitled.

Assistant United States Attorney William J. Knapp stated that the Indictment also charges the defendant laundered the monies he received from over-billing New York State into his personal financial accounts. The Indictment is seeking the forfeiture of over \$5.9 million.

The indictment stems from an investigation of the tank removal contract that was conducted by the New York State Inspector General's Office under the direction of the State Inspector General Jill Konviser-Levine, the Criminal Investigation Division of the Internal Revenue Service under the direction of Special Agent in Charge Ann Marie Coons, the Federal Bureau of Investigation under the direction of Special Agent in charge Peter Ahearn, and Special Agents of the Environmental Protection Agency under the direction of Special Agent in Charge William V. Lometti.

The evidence was presented to the Grand Jury by William J. Knapp, Assistant United States Attorney. Anthony M. Bruce, Assistant United States Attorney will handle the trial of the case.